UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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WI-LAN INC.,

Plaintiff,

v.

LG ELECTRONICS, INC. and LG ELECTRONICS U.S.A., INC.,

Defendants.

-- x

Case No. 10 CV 432 (LAK) (AJP)

DEFENDANTS' MEMORANDUM OF LAW IN OPPOSITION TO PLAINTIFF'S OBJECTION PURSUANT TO FED. R. CIV. P. 72(a)

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Defendants LG Electronics, Inc. and LG Electronics U.S.A., Inc. (collectively "LG") respectfully request that this Court deny Plaintiff's motion to reverse two rulings by the Magistrate Judge because neither decision is clearly erroneous and both involve issues that are committed to the broad discretion of the Magistrate Judge under Fed. R. Civ. P. 72.

I. INTRODUCTION

Plaintiff seeks to overturn two, nondispositive, discovery rulings by Magistrate Judge Peck. The first ruling relates to a January 3, 2011, Order barring an attorney from Plaintiff's litigation counsel's firm, Richard Meyer—an attorney whom Plaintiff previously elected to shield from having access to LG's material designated CONFIDENTIAL ATTORNEYS' EYES ONLY or CONFIDENTIAL—OUTSIDE ATTORNEYS' EYES ONLY—SOURCE CODE ("AEO materials") so as to continue representing Plaintiff in a co-pending reexamination involving the patent-in-suit, even after the Protective Order was entered reviewing—from accessing AEO materials. Plaintiff has now changed its mind and seeks to return Mr. Meyer to the litigation, with full access to AEO materials. In so moving, Plaintiff now makes its fifth attempt to avoid the terms of a reexamination prosecution bar in the Protective Order after previously fighting and losing on four previous occasions.

Plaintiff also conveniently ignores that the Magistrate Judge carefully informed it of the ramifications of having Mr. Meyer continue as reexamination counsel during oral argument leading to the July Protective Order. Fully apprised of its options, Plaintiff elected to have Mr. Meyer continue participating in the '402 reexam. Now, Plaintiff seeks to nullify the purpose and spirit of the prosecution bar by having Mr. Meyer re-enter the litigation with full access to LG's AEO materials. Even more troubling, Plaintiff did not even wait to obtain Court approval or Defendants' consent. Instead, Plaintiff engaged in "self help" by, in effect, making its own "ruling" that Mr. Meyer was entitled to receive access to AEO materials under Plaintiff's self-serving construction of the Protective Order and exposing Mr. Meyer to LG's AEO materials, in defiance of LG's strenuous and repeated objections. Seeing through this charade, the Magistrate Judge ruled that Plaintiff's attempt to belatedly bring Mr. Meyer back into the litigation with access to LG's AEO materials violated the spirit and intent of the reexamination prosecution bar. Even though the Magistrate Judge initially barred Mr. Meyer from participating in the litigation entirely, the Magistrate Judge, at Plaintiff's request, subsequently revised his order and reluctantly allowed Mr. Meyer to continue participating in the litigation, but without access to AEO materials.

The second ruling that Plaintiff challenges relates to certain hand-written notes reflecting a March 21, 2006, license negotiation meeting between Wi-LAN and LG in Toronto Canada (the "Meeting Notes".) (**Ex. 1-2**, WL0426961-63 and WL0426964-65, respectively.) In a December 30, 2010, bench ruling during a discovery conference, Magistrate Judge Peck appropriately sanctioned Plaintiff by ruling that the Meeting Notes were authentic and admissible. (**Ex. 3,** Peck Tr. 12, Dec. 30, 2010.) Tellingly, during that hearing Plaintiff's counsel admitted that Plaintiff produced the documents from its own files and that the documents originated from its Canadian outside counsel who had participated in the March 21, 2006 meeting.[1] Plaintiff's counsel had previously claimed that none of its witnesses could testify as to the author or contents of the Meeting Notes. Nevertheless, Plaintiff now argues that Defendants should not be able to use the documents at trial to demonstrate easy-to-read, contemporaneous notes reflecting the 2006 license meeting. (**Ex. 3** at 7.)

Plaintiff conveniently ignores that it did not even produce the Meeting Notes until November 8, 2010—three days after the original close of fact discovery—and that it had improperly withheld the Meeting Notes, along with more than 130,000 pages of other documents, based on inappropriate privilege claims. Notably, the Meeting Notes were withheld for more than six months after they were first requested in LG's written discovery simply because Plaintiff had attempted to "bury" them, along with more than 25,000 other documents, in a 10-inch tall, 2,500 page privilege log. The Meeting Notes were among the more than 130,000 pages of misdesignated documents from Plaintiff's privilege log that the Court ordered Plaintiff to produce only after Defendants had invested hundreds of hours (and hundreds of thousands of dollars) inspecting, analyzing and outlining the massive deficiencies in Plaintiff's privilege log.

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[1] Najmul Siddiqui, the former President of Plaintiff's V-Chip division, had previously identified attorneys Richard Parr and Victor Kritchker as the likely authors of the Meeting Notes. (**Ex. 4**, Siddiqui Dep. 170-177, Dec. 3, 2010.)

Plaintiff's concern about the potential for the Meeting Notes to wreak havoc on its fraudulent inducement claim (Count I) is well placed. The Meeting Notes directly refute key allegations in its Second Amended Complaint directed to this claim. Damaging evidence, however, is not grounds for denying either the authenticity or the admissibility of these two documents. Plaintiff's argument is absurd and suggests that its discovery misconduct should be rewarded. Plaintiff also ignores that it already stipulated during the December 30th hearing that the documents were authentic, and blames Defendants for not being clairvoyant in hunting down the author(s) of the Meeting Notes, even though they were not produced until after the original fact discovery cutoff and Plaintiff's more recent confirmation of their origin. As set forth in the following sections, both of the challenged rulings were well founded and within the broad discretion provided the Magistrate Judge under Rule 72. Plaintiff simply cannot demonstrate any error, let alone the clear error required for the district court to set aside these nondispositive rulings.

II. BACKGROUND

A. Facts Relating to Protective Order Decision

1. Plaintiff has previously tried and failed four times to nullify the reexamination prosecution bar in the Protective Order.

a. The Protective Order

On July 26, 2010, following extensive briefing and argument by the parties, the Magistrate Judge entered a Protective Order that included a "patent prosecution bar" limiting persons involved in patent prosecution activities, including the pending '402 patent reexamination (the "'402 reexam"), from also receiving access to LG's AEO materials. (*See* Dkt. No. 54; Ex. A to Holohan Decl.) In arguing to narrow the prosecution bar to exclude the pending '402 reexam, Plaintiff argued that there were two outside lawyers involved in the '402 reexam and that one of them, Mr. Meyer, was also involved in the lawsuit. (**Ex. 5**, Peck Tr. 10-11, July 22, 2010.) According to Plaintiff, it would lose the services of Mr. Meyer for trial if he continued with his ongoing participation for Plaintiff in the '402 reexam. (*Id.* at 11.) The Court gave Plaintiff two distinct choices: "keep him away if you want him to be involved with the patent re-examination" (*Id.*) or "alternatively keep them out of the patent re-examination, whichever suits you." (*Id.* at 13.)

b. Plaintiff's Motion for Reconsideration

On August 2, 2010, Plaintiff filed a motion for reconsideration of the Protective Order, seeking revisions to the prosecution bar to allow Plaintiff's trial counsel to participate in the pending '402 reexam. (*See* Dkt. No. 57 at p. 1.) Plaintiff argued, among other things, that applying the prosecution bar to the reexamination proceeding would require it to "seek new counsel." (*Id.* at 10-11.) On August 18, 2010, Magistrate Judge entered an order affirming his prior ruling regarding the prosecution bar and denying Plaintiff's request for reconsideration to which Plaintiff never objected to this Court (until now.) (*See* Dkt. No. 66.) In its Order, the Magistrate Judge concluded that Plaintiff's threatened harm from the prosecution bar was "overblown, to put it mildly." (*Id*. at 2.) As the Magistrate Judge noted, the reexamination prosecution bar would only bar a single lawyer, Mr. Meyer, from access to LG's highly confidential material. (*Id*.) And Plaintiff did not seek new counsel to represent it in the lawsuit.

c. The Magistrate Judge's ruling during a third party deposition on December 21, 2010.

Late on December 16, 2010, Plaintiff's counsel sent a letter to Defendant's counsel, indicating that Mr. Meyer was purportedly terminating his involvement in the '402 reexam and reentering the litigation with the intention of fully accessing LG's AEO materials. (*See* Ex. C to Holohan Decl.) Defendants counsel sent a letter the next day strenuously objecting to Plaintiff's transparent attempt to skirt the prosecution bar and requesting that Plaintiff not provide access to any AEO materials until the Court resolved the issue. (*See* Ex. D to Holohan Decl.) That same afternoon, Mr. Meyer himself, responding on behalf of Plaintiff, sent a letter to Defendant's counsel attacking Defendants' position. (*See* Ex. E to Holohan Decl.)

On December 21, 2010, during a third party deposition of Broadcom—a deposition in which both Defendants' and Broadcom's AEO material would surely be discussed—the parties contacted the Magistrate Judge when Mr. Meyer and Plaintiff's expert Craig Tanner (who also was representing Plaintiff in the '402 reexam) appeared at the deposition. Defendants specifically objected to Messrs. Meyer and Tanner being present for any portions of the deposition involving AEO materials. (*See* Ex. G to Holohan Decl.) Magistrate Judge Peck ordered both Mr. Meyer and Mr. Tanner barred from portions of the deposition in which AEO materials were discussed and expressly noted that Plaintiff "chose him to be involved in the re-examination in front of the patent office and kept him away from the 'Attorney's Eyes Only' patent prosecution bar material." (*Id*. at 9.) Continuing, the Magistrate Judge stated "It seems a little late in the game to change the rules on that. As long as the re-examination is ongoing, I don't see a reason that he is desperately needed for this deposition." (*Id*. at 9-10.)

d. The December 30, 2010 Hearing

On December 27, 2010, Plaintiff's counsel sent a letter to Magistrate Judge Peck requesting clarification and/or reconsideration of the Court's December 21st ruling and requesting that, *inter alia*, Mr. Meyer be provided access to AEO information. (*See* Ex. H to Holohan Decl.) Defendants submitted a letter to the Magistrate Judge on December 29, 2010, objecting to Plaintiff's request to allow Mr. Meyer access to AEO materials. (**Ex. 6**, 12/29/2010 Lukas letter to Judge Peck.)

During a hearing on December 30, 2010, the Magistrate Judge took up the issue of whether Mr. Meyer should be allowed access to AEO materials. (*See* Ex. I to Holohan Decl., beginning at 23:5.) During the hearing, Plaintiff's counsel, David Sipioria, disclosed for the first time that, notwithstanding LG's objections, Mr. Meyer had already been provided access to LG's AEO materials. (*Id*. at 28:17-25, 29:9-17.) The Magistrate Judge admonished Plaintiff for engaging in "self-help" without seeking clarification from the Court (*Id*. at 31:7-17.) and reminded Plaintiff that, at the time the Protective Order was entered, it had represented the following:

> "'[W]ell its only one lawyer, it's Meyer, and we can live without him.' You never said, 'we can live without him for now and there's a chance we're going to bring him back into this case.' So frankly, I think where I'm coming out is, as to the spirit of the rules of the protective order, you have clearly violated. Literally, you may have complied. And it may be you lose one but not the other or whatever. We'll see." (*Id*. at 30:13-21.)

2. The January 3, 2011, Order

On January 3, 2011, Magistrate Judge Peck entered an order initially barring Mr. Meyer from participating in the lawsuit altogether, but allowing Mr. Tanner to serve as an expert for Plaintiff despite his previous work on the '402 reexam. In so ruling, the Court stated:

> "As to attorney Meyer, the Court believes Wi-Lan may have complied with the letter of the Protective Order but certainly not its spirit, as to both Tanner and Meyer. Accordingly, the Court will not allow attorney Meyer to participate in this case at this time. Wi-Lan can re-apply at the time of trial (or such earlier time as the Patent Reexamination proceeding is entirely concluded.)"

Later that same day, Plaintiff's counsel sent a letter to Magistrate Judge Peck seeking "clarification"[2] that Mr. Meyer could continue to participate in the litigation but just without access to AEO materials. (*See* Ex. K to Holohan Decl.) Just hours later, and before Defendants were able to respond to Plaintiff's letter, the Magistrate Judge entered an endorsement on that letter, indicating that it would "reluctantly" approve Plaintiff's request to allow Mr. Meyer to continue assisting in the litigation, but without access to LG's AEO material. (*Id*.)

B. Facts Relating To The Ruling On The Admissibility Of The Meeting Notes

Plaintiff also objects to Magistrate Judge Peck's December 30, 2010 bench ruling, holding that handwritten notes dated March 21, 2006 , produced by Plaintiff and Bates stamped WL0426961–WL0426963 and WL0426964–WL0426965 (the "Meeting Notes") are authentic and admissible. (*See* Pl Br. at 14-16; and Ex. I to Holohan Decl., 12:18-19.)

1. The key events pertinent to the ruling on the Meeting Notes.

The following chronology outlines the key activities and events bearing on Magistrate Judge Peck's bench ruling that the Meeting Notes are authentic and admissible:

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[2] Magistrate Judge Peck's ruling could not have been any clearer: Mr. Meyer was barred from participation in the case, in view of his willful violation of the intent and spirit of the Protective Order. Although Plaintiff characterized its letter as a request for clarification, it was effectively a Motion for Reconsideration—to which Defendants did not have a reasonable opportunity to respond.

- On or about March 24, 2010, the Court entered a case scheduling order setting a fact discovery cutoff of November 5, 2010. (*See* Dkt. No. 10.)

- On May 14, 2010, Defendants served their first set of production requests to Plaintiff, in which the Meeting Notes were responsive to at least Request Nos. 48, 58, 61 and 108. (**Ex. 7**, Defendants' First Set of Requests for Production of Documents and Things to Plaintiff.)

- On June 1, 2010, Plaintiff's counsel wrote to LG's counsel seeking agreement that no documents other than opinions of counsel need to be included on a privilege log. (**Ex. 8**, June 1, 2010, Letter from Holohan to Mote.)

- On June 9, 2010, LG's counsel sent an email to Plaintiff's counsel rejecting plaintiff's privilege log proposal. (**Ex. 9**, June 9, 2010, Letter from Mote to Holohan.)

- On or about September 1, 2010, Plaintiff served Defendants with a 2,500 page privilege log listing more than 25,000 documents, totaling more 130,000 pages, as privileged. (**Ex. 10**, Sept. 1, 2010, E-mail from Holohan to LG Counsel.)

- On or about October 4, 2010, Plaintiff served Defendants with a supplemental privilege log listing more than 900 additional documents as privileged.

- On October 4, 2010, Defendants served on Plaintiff a subpoena for documents and deposition from Bereskin & Parr, Plaintiff's Canadian-based patent prosecution and licensing counsel. (**Ex. 11**, Oct. 4, 2010, E-mail and attachment from Levinstein to Wi-LAN counsel.)

- On October 7, 2010, Plaintiff's counsel refused to accept service on behalf of Bereskin & Parr. (**Ex. 12**, Oct. 7, 2010, E-mail from Holohan to Levinstein.)

- In view of Plaintiff's refusal to accept service, and in view of the impeding November 3, 2010 close of fact discovery, Defendants attempted to informally serve its respective subpoenas on Bereksin & Parr through a process server. However, per a fax sent by counsel for Bereskin & Parr on October 19, 2010, Bereskin & Parr objected to service on jurisdictional grounds. (**Ex. 13**, Oct. 19, 2010, Fax from Rosenthal to Maiers.)

- On October 19, 2010, LG's counsel sent a letter to Magistrate Judge Peck outlining various issues with Plaintiff's Privilege Log (**Ex. 14**, Oct. 19, 2010, Letter from Harris to Judge Peck.)

- On October 21, 2010, LG's counsel sent a supplemental letter to Magistrate Judge Peck outlining LG's difficulties in obtaining discovery from Bereskin & Parr and asking the Court to require Plaintiff to make a good faith effort to obtain Bereskin & Parr's cooperation with LG's discovery requests, the same way LG was ordered to do with respect to certain third party Korean witnesses Albert Kang and S.Y. Kang. (**Ex. 15**, Oct 21, 2010, Letter from Mote to Judge Peck.)

- During a hearing on October 29, 2010, Magistrate Judge Peck ordered Plaintiff to revisit every single entry in its now more than 2,600 pages of privilege log entries, serve a revised privilege log listing only those documents that were entitled to privilege and produce all documents that it found improperly designated by November 8. (**Ex. 16**, Peck Tr. 43, Oct. 29, 2010.) Magistrate Judge Peck further ordered Plaintiff to attempt to obtain Bereskin & Parr's voluntary cooperation with LG's discovery requests. (*Id.* at 53-54.)

- On November 3, 2010, Plaintiff advised LG that Richard Parr, the Bereskin & Parr attorney who primarily handled Plaintiff's matters and who is believed to have authored one of the sets of Meeting Notes, was willing to be deposed, but that certain accommodations would need to be made in view of his health. (**Ex. 17,** Nov. 3, 2010, E-mail from Holohan to LG Counsel.)

- On or about November 5, 2010, Plaintiff produced 6 DVDs to Defendants containing more than 130,000 pages of documents that it had previously improperly withheld as privileged. (**Ex. 18**, Nov. 5, 2010, E-mail from Holohan to Maiers.)

- On or about November 8, 2010—three days after the original close of fact discovery and nearly six months after Defendants had served document production requests seeking *inter alia* documents reflecting the parties' license negotiations—Plaintiff made another production of documents that had previously been improperly withheld under inappropriately privilege designations. These documents included those bates labeled WL0426756-WL0426759 and WL0426760-WL0432203—the latter of which contained the Meeting Notes. (**Ex. 19**, Nov. 8, 2010, E-mail form Holohan to LG Counsel.)

- On November 15, 2010, Plaintiff advised LG that Mr. Parr had become "too ill to testify," but offered to present Bhupinder Randhawa to take Mr. Parr's place in testifying on behalf of Bereskin & Parr. (**Ex. 20**, Nov. 15, 2010, Email from Holohan to Maiers.)

- During a discovery hearing on November 16, 2010, Magistrate Judge Peck ordered Plaintiff to produce Tim Collings, Plaintiff's outside consultant, former board member and the inventor of the patent-in-suit, to sit for an additional two days of depositions, including continuing his previous 30(b)(6) deposition to testify concerning the 130,000 pages of documents that Plaintiff had recently produced from its privilege log. (**Ex. 21**, Nov. 16, 2010, Peck Tr. 8-9, Nov. 16, 2010.)

- November 21, 2010, LG informed Plaintiff that LG would defer the depositions of Bereskin & Parr, subject to the ability of Plaintiff's 30(b)(6) witnesses to answer questions concerning documents prepared on Wi-LAN's (and Tri-Vision's) behalf by Bereskin & Parr. (**Ex. 22**, Nov. 21, 2010, Letter from Maiers to Holohan.) Plaintiff did not object to this proposal.

- Between November 24, 2010 and December 8, 2010, Defendants deposed Wi-LAN 30(b)(6) deponents Bill Middleton (11/24/10) (**Ex. 23**, Middleton Dep. 191-203, Nov. 24, 2010) and Tim Collings (12/8/10) (**Ex. 24**, Collings Dep. 447-458, Dec. 8, 2010) as well as Wi-LAN's former President Najmul Siddiqui (12/3/10) (**Ex. 4**, Siddiqui Dep. 170-174, Dec. 3, 2010) and Wi-LAN's former Director of Communications Murray Eldon (12/2/10) (**Ex. 25**, Eldon Dep. 161-163, Dec. 2, 2010.) None of these witnesses would confirm, with certainty, the authors of the Meeting Notes.

- Following the aforementioned depositions, LG informed Plaintiff of their renewed need to depose Bereskin and Parr to authenticate the Meeting Notes or, alternatively, to authenticate them by way of a written interrogatory, a deposition upon written question (pursuant to F.R.C.P. 31) or requests for admission. (**Ex. 26**, Dec. 10, 2010, Letter from Levinstein to Meyer.) Plaintiff refused to accommodate any of LG's requests to informally address the substance and authenticity of the Meeting Notes. (**Ex. 27**, Dec. 14, 2010, Letter from Holohan to Levinstein.) Accordingly, LG took Plaintiff up on its offer to produce a representative of Bereskin & Parr who is capable of authenticating the Meeting Notes for deposition. (**Ex. 28,** Dec. 15, 2010, Letter from Levinstein to Holohan.)

- On December 15, 2010, Defendants submitted a status report requested by Magistrate Judge Peck, which outlined numerous continuing discovery issues, including Plaintiff's new refusal to produce a witness capable of testifying about the Meeting Notes(**Ex. 29**, Dec. 15, 2010, Letter from Harris to Judge Peck.)

- On December 29, 2010, Defendants submitted letters to the Magistrate Judge Peck outlining Plaintiff's continuing refusal to authenticate the Meeting Notes and continuing privilege log issues. (**Ex. 30**, Dec. 29, 2010, Letters from Harris to Judge Peck.)

2. The December 30, 2010, Bench Ruling

On December 30, 2010, Magistrate Judge Peck held a discovery hearing to address, *inter alia*, issues raised in Defendants' December 15th status report and their December 29th discovery letters. (*See* Ex. 3.) During the hearing, LG's counsel provided Magistrate Judge Peck with copies of the Meeting Notes and explained how none of Plaintiff's witnesses would confirm the author of the notes or agree to their meaning or context. (*See* Ex. I to Holohan Decl., 9:15-25.) After only briefly reviewing them, the Court proceeded to read into the record clearly readable portions of the Meeting Notes pointed to by LG's counsel—portions that Plaintiff's witnesses previously claimed they were unable to read. (*Id*. at 9.) For instance, the Court read portions that stated "LG doesn't want to report if not using our tech" and "will make template for no sales." (*Id*. at 9:3-4,18-19.) After reciting those portions and hearing Plaintiff's counsel confirm that the documents came from the files of Plaintiff's outside counsel at Bereskin & Parr—attorneys who had attended the March 21, 2006 meeting with LG—Magistrate Judge Peck ruled that the Meeting Notes were authentic and admissible. (*Id*.)

III. LEGAL STANDARD

A district judge reviewing a magistrate judge's order on a nondispositive matter must defer to the magistrate judge's ruling unless it is clearly erroneous or contrary to law. Fed. R. Civ. P. 72(a); *Weeks Stevedoring Co. v. Raymond Int'l Builders, Inc*., 174 F.R.D. 301, 303 (S.D.N.Y. 1997) (District court may reverse magistrate judge's decision on nondispositive matter only if found to be clearly erroneous or contrary to law.). Thus, even if there are two permissible views, the reviewing court should not overturn the magistrate judge's decision solely because it would have chosen the other view. *Id*.; *Westefer v. Snyder*, 472 F. Supp. 2d 1034, 1037 (S.D. Ill. 2006) (When ruling on discovery matters, magistrate judge "is operating in a zone of very broad discretion."); *Marks v. Struble*, 347 F. Supp. 2d 136, 149 (D.N.J. 2004) (Party filing objections bears burden of demonstrating that magistrate judge's decision was clearly erroneous or contrary to law.).

Motions for disqualification of counsel and discovery matters are nondispositive and subject to the more deferential "clearly erroneous" standard of review. *Weeks Stevedoring*, 174 F.R.D. at 303 (magistrate's order was not clearly erroneous); *Reidy v. Runyon*, 169 F.R.D. 486, 489 (E.D.N.Y. 1997) (district court reviews magistrate's order on nondispositive discovery matter under clearly erroneous standard).

IV. ARGUMENT

As set forth below, Plaintiff failed to establish that the Magistrate Judge committed clear error in ruling that (a) the prosecution bar in the Protective Order barred Plaintiff's reexam counsel from reentering the lawsuit with access to LG's AEO materials; or (b) the Meeting Notes produced by Plaintiff are authentic and admissible.

A. The Magistrate Judge Did Not Commit Clear Error In Deciding For The Fifth Time That The Prosecution Bar In The Protective Order Barred Plaintiff's Outside Reexamination Counsel From Receiving Access To LG's AEO Materials.

Plaintiff was obligated but failed to demonstrate that the Magistrate Judge's ruling to bar Plaintiff's outside reexamination counsel, Mr. Meyer, from access to LG's AEO materials under the Protective Order was clearly erroneous. Even if the Court concludes that it may have come to a different decision, it may not overturn the ruling unless it finds that the ruling constitutes clear error or that the Magistrate Judge failed to apply or misapplied relevant statutes, case law, or rules of procedure. Here, Plaintiff can make no such showing and the ruling should be affirmed.

1. This is Plaintiff's Fifth Attempt To Circumvent the Prosecution Bar in the Protective Order.

This is now Plaintiff's fifth attempt to limit the scope of the prosecution bar in Paragraph 4 of the Protective Order to exclude the pending '402 patent reexamination, after its four previous attempts failed: (1) oral argument prior to the entry of the July 26 Protective Order; (2) an August 8, 2010 Motion for Reconsideration of the prosecution bar in the Protective Order; (3) oral argument during a third party deposition on December 21, and (4) during the December 30 discovery hearing. Notwithstanding the fact that the Court has already ruled that Mr. Meyer shall not be allowed access to LG's AEO materials, Plaintiff continues to seek to "have its cake and eat it too" by asking the Court to allow Mr. Meyer to participate in both the '402 reexamination and this litigation—in direct violation of the letter and spirit of the Protective Order. In Plaintiff's view, Mr. Meyer may cross the ethical wall between this litigation and the reexam whenever he sees fit.

2. Plaintiff's actions violate the language and spirit of the prosecution bar.

The prosecution bar in Section 4(b) states:

> b. Prosecution Bar. Absent the written consent of the Producing Party, **any person that has the right to access materials** designated CONFIDENTIAL ATTORNEYS' EYES ONLY or CONFIDENTIAL - OUTSIDE ATTORNEYS' EYES ONLY - SOURCE CODE **shall not be involved in the prosecution of patents or patent applications (including those involved in reexamination or reissue proceedings)** relating to the subject matter of such information or of the lawsuit or Patents-in-Suit (including but not limited to any application claiming priority to or otherwise related to the patents asserted in this action), before any foreign or domestic agency, including the United States Patent and Trademark Office. For purposes of this paragraph, "prosecution" includes, without limitation:
>
> (i) the drafting or amending of patent claims, or the supervising of the drafting or amending of patent claims (including in reexamination or reissue proceedings); and
>
> (ii) advising any client concerning strategies for obtaining or preserving patent rights including in reexamination or reissue proceedings) in the above-listed field.Prior to this motion, Plaintiff has fought and lost four previous battles to first avoid altogether and subsequently to undercut and nullify the prosecution bar in the Protective Order. (emphasis provided)

Plaintiff's interpretation of the prosecution bar violates the intent and express language of Paragraph 4(b), which expressly bars any person with access to LG' designated CONFIDENTIAL—ATTORNEYS' EYES ONLY ("AEO") materials from participating in the '402 reexamination (or any other related patent prosecution activity relating to the subject of the lawsuit or Patents-in-Suit) for two years after the final resolution of the lawsuit. Plaintiff concedes that Mr. Meyer is a person that had significant participation in the '402 patent reexamination. Moreover, whether Mr. Meyer likes it or not, he has a continuing duty of candor to the USPTO under the continuing obligations of 37 C.F.R. § 1.555, and he thus remains a participant in the '402 patent reexamination. Accordingly, the Magistrate Judge correctly concluded that Mr. Meyer may not obtain access to LG's AEO materials.

There can be little dispute that the Magistrate Judge's decision to deny Mr. Meyer to continue participating in this case was reasonable, and within his broad discretion to rule on nondispositive discovery issues. Moreover, such discretion is particularly appropriate when the challenged ruling relates to the construction of a protective order previously entered by the Magistrate Judge from which the challenging party failed to object. Indeed, the Magistrate Judge acted to mitigate any potential harm to Plaintiff by compromising in its ruling to allow Mr. Tanner to continue as Plaintiff's expert in the lawsuit, despite his previous participation in the reexam, and despite his "self-helf" to LG's AEO materials.

3. Plaintiff's improper and unfair actions in unilaterally engaging in "self help" further support the Magistrate Judge's ruling.

In Plaintiff's unsuccessful attempt to limit the scope of the prosecution bar, Plaintiff's counsel, David Sipioria, represented to the Court that only one Townsend partner, Mr. Meyer, had any significant participation in the '402 patent reexamination. In denying Plaintiff's request for reconsideration of the Protective Order, the Court specifically rejected Plaintiff's claim that applying the patent prosecution bar to the reexamination proceeding would force Wi-LAN to "seek new counsel," stating that such claims were "overblown, to put it mildly." (*See* Dkt. No. 66; Judge Peck 8/18/10 Order at 2.) The Court specifically noted that "plaintiff's counsel admitted that, out of the several lawyers (at least four appear on their reconsideration brief, Dkt. No. 57), only one partner has a 'significant role' in the reexamination and also a 'direct' role in this litigation." (*Id*. citing 7/22/10 Peck Tr. at 10-11.) Accordingly, the Court concluded that "[i]t will not cause a hardship to Wi-Lan to bar that single lawyer from access to LG's "Confidential Attorney's Eyes Only" material." (*Id*. at 1-2.)

Notwithstanding these representations, and in direct violation of the express terms of the Protective Order and related Court rulings, Plaintiff's counsel sent a letter to LG's counsel on the afternoon of December 16, 2010, indicating that Mr. Meyer, and other '402 reexam participants, "will terminate their involvement in the reexamination proceeding concerning" the '402 patent and will be "given access to LG's materials designated "CONFIDENTIAL ATTORNEYS' EYES ONLY" or "CONFIDENTIAL – OUTSIDE ATTORNEYS' EYES ONLY – SOURCE CODE." Immediately thereafter, on the morning of December 17, 2010, LG's counsel sent Wi-LAN's counsel a letter indicating LG's strenuous objection to any attempt to provide access to LG's AEO designated materials to any person who had participated in the '402 patent reexamination and, pursuant to Paragraph 10 of the Protective Order, requested that Wi-LAN withdraw the designations within 10-days or that LG would seek an appropriate Court order.

Rather than maintain the *status quo* until such time as the Court could address this issue, and, unknown to LG, Plaintiff unilaterally decided to ignore LG's objections and allow Mr. Meyer and Mr. Tanner access to LG's and third party Broadcom's AEO materials and to attend the deposition of Broadcom in which Plaintiff knew that LG's and Broadcom's AEO information would be discussed. During that deposition, and pursuant to LG's counsel's objections to their participation, the Court unequivocally ruled that Mr. Meyer and Mr. Tanner were precluded from access to or reviewing AEO information because of their significant participation in the '402 patent reexamination. Both had to be ordered out of the deposition room.

4. Plaintiff ignores the continuing duties to the USPTO under which Meyer is bound.

Under 37 C.F.R. § 1.555, "[E]ach individual associated with the patent owner in a reexamination proceeding has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability in a reexamination proceeding." Continuing, §1.555 also provides that "[t]he individuals who have a duty to disclose to the Office all information known to them to be material to patentability in a reexamination proceeding are the patent owner, **each attorney or agent who represents the patent owner, and every other individual who is substantively involved on behalf of the patent owner in a reexamination proceeding**..." (emphasis added). This obligation does not vanish simply because one of these individuals says he is done with the reexamination…for now.

Plaintiff carefully ignores this continuing duty of candor binding Mr. Meyer, hoping to avoid the prosecution bar by claiming that he has now terminated his involvement in the '402 reexam. But Mr. Meyer cannot simply wash his hands of the continuing duties that bind him based on his previous participation in the '402 reexam. Contrary to Plaintiff's suggestion, Mr. Meyer is not now "walled off" from the '402 patent reexamination proceedings. Indeed, §1.555 provides that all participants on behalf of the patent owner in a reexamination have a continuing duty of candor to the USPTO while those proceedings are pending. And, to be sure, those proceedings continue to pend.

5. Plaintiff will not suffer any prejudice if Mr. Meyer is not provided access to LG's AEO materials.

During the hearing to address the prosecution bar in the Protective Order, the Magistrate Judge expressly outlined the options available to Plaintiff, namely that it could elect to either (a) have Mr. Meyer continue working on the '402 reexam but without the ability to access LG's AEO materials (and the attendant limitations in representing Plaintiff in the lawsuit resulting therefrom); or (b) have Mr. Meyer withdraw from any further representation in the reexam and continue in the lawsuit with full access to LG's AEO materials. With those options clearly outlined, Plaintiff elected to have Mr. Meyer continue to represent it in the ‘402 reexam. Nevertheless, Plaintiff now wants to act as if there were no ramifications to its previous election.

As outlined above, this motion represents Plaintiff’s fifth “bite at the apple. Plaintiff cannot now argue now that it will face significant prejudice from the Court’s January 3, 2011 ruling—and, by extension, its previous four rulings—if Mr. Meyer is denied access to LG’s AEO materials, because that is the exact prejudice that it asserted as the basis for its Motion for Reconsideration, and to which it failed to object after the motion was denied by the Magistrate Judge in early August 2010. Plaintiff has now waived its ability to challenge the scope of the prosecution bar to which it failed to timely object months ago.

In addition, Plaintiff cannot now argue that it had somehow anticipated and planned on having Mr. Meyer available as trial counsel all along when the ramifications of its election to have him continue as ‘402 reexam counsel had been so thoroughly vetted by the Magistrate Judge during the July hearing preceeding the entry of the Protective Order. In short, Plaintiff made its bed—electing to have Mr. Meyer continue to represent it in the ‘402 reexam—but now refuses to lie in it. Instead, Plaintiff seeks to contort the language of the Protective Order to nullify the reexamination prosecution bar and allow its outside counsel to participate in both the ‘402 reexamination and this litigation—activities that the prosecution bar was specifically designed to prevent.

Finally, Plaintiff cannot reasonably argue that it faces prejudice in conducting expert discovery without Mr. Meyer’s involvement. During the December 30th hearing, Plaintiff argued that Mr. Meyer needed access to AEO material because he had “primary responsibility for a significant portion” of Plaintiff’s expert reports. But the time for serving those reports—January 14, 2011—has come and gone, and Plaintiff was able to serve LG with four reports going to its infringement position and another report on its alleged damages—presumably all without Mr. Meyer having access to AEO materials. Plaintiff similarly concedes that Mr. Meyer has not had access to LG's AEO materials prior to December 17, 2010, and yet it has been perfectly capable of prosecuting this lawsuit without his involvement. Thus, Plaintiff will not suffer any prejudice in litigating the remainder of this case without providing Mr. Meyer access to LG's AEO materials.

B. The Magistrate Judge Did Not Commit Clear Error In Deciding That The Meeting Notes Produced By Plaintiff Were Authentic And Admissible After Plaintiff Improperly Withheld The Documents And Then Refused To Provide A Witness Capable Of Authenticating Or Discussing The Documents.

Plaintiff half-heartedly challenges the Magistrate Judge's ruling that the Meeting Notes are authentic and admissible, offering a single, unsupported argument that LG failed to meet its burden of proving authenticity—after expressly stipulating to authenticity on the Court record. *See* Ex. 3 at 8. As outlined below, the Magistrate Judge's ruling on the authenticity and admissibility was well founded because: (a) the Magistrate Judge's Order was an appropriate sanction; (b)the Meeting Notes are highly relevant and refute key allegations going to Plaintiff's fraudulent inducement claim; (c) the Meeting Notes were improperly withheld from production for months based on inappropriate privilege designations; (d) Plaintiff refuses to produce a witness capable of testifying about these materials; and (e) contrary to Plaintiff's witnesses' feigned inability to read them, the Meeting Notes are easy-to-read, English handwriting attributable to the only two other participants at the March 21, 2006 meeting who could have written them. In addition, there is ample secondary evidence demonstrating the Meeting Notes are authentic and admissible.

1. The Meeting Notes are highly relevant and directly contradict allegations in Plaintiff's Second Amended Complaint that form the basis for its fraudulent inducement claim.

The Meeting Notes almost single-handedly refute Wi-LAN's fraudulent inducement claims. Moreover, they suggest that Wi-LAN lacked a reasonable basis for the allegations found in paragraph 29 of its Second Amended Complaint, which states:

> 29. On March 21, 2006, Tri-Vision met with LG again in Toronto, Canada, when Tri- Vision's President and others met with the two Managers from LG. During that meeting, the Senior Manager stated that "I am making this offer because LG will use your technology and no one else will." He went on to explain that LG should receive a lower royalty rate because (1) LG had a large share of the television receiver market; (2) licensing LG would result in additional licensees; and (3) LG would be the only significant user of the Collings patent. Tri-Vision offered an advertising agreement, which would have effectively lowered the royalty rate to LG, in exchange for advertising by LG of the Collings patent and V-Chip technology on LG's television receivers marketed in the United States.

(*See* Dkt. No. 67) The Meeting Notes, however, confirm that at the March 21, 200 meeting, LG specifically asked for special royalty report templates for express the purpose of reporting zero sales of licensed product and that LG did not intend to pay royalties until it actually started using the licensed technology.

2. Plaintiff seeks to be rewarded for improperly withholding evidence based on inappropriate privilege claims after refusing to produce a knowledgeable witness to authenticate or discuss that same evidence.

Plaintiff should not be allowed to benefit from its own discovery misconduct. Here, Plaintiff seeks to render the Meeting Notes useless by withholding them for months after they were sought in LG discovery requests, and then refusing to produce a witness capable of identifying or explaining the documents. Specifically, both of Plaintiff's 30(b)(6) witnesses testified that they had never seen the Meeting Notes before their depositions and both claimed to have no knowledge of who authored the handwritten notes or their meaning—including Mr. Collings who was specifically ordered by the Court to testify on the newly produced documents from Plaintiff's privilege log and was also designated by Plaintiff to testify on, *inter alia*, the very topic of pre-license negotiations between Wi-LAN and LG to which the Meeting Notes refer.

Likewise, during the deposition of Mr. Middleton, who was designated by Plaintiff to cover such topics as the factual basis for Plaintiff's pleadings, Plaintiff's document productions and all license communications relating to the '402 patent, he claimed that he had never seen the documents before and suggested that Mr. Collings, Mr. Siddiqui (Plaintiff's former President) or Mr. Eldon (Plaintiff's former Director of Communications) would likely have information about the Meeting Notes. None of those witnesses, however, was "familiar" with the notes, knew their author with certainty, or would even agree to confirm the contents of the handwritten notes, by reading what they said. To date, and as recently as January 19, 2011, Plaintiff continues to refuse to make its former outside counsel at Bereskin & Parr available for a deposition in this lawsuit.

Plaintiff's motivation in seeking to shield this incredibly relevant and probative evidence is transparent: the Meeting Notes, which clearly document and then re-document LG's intentions not to pay anything to Wi-LAN until it actually started using the technology, and which directly contradict the core allegations in Plaintiff's Second Amended Complaint supporting its fraudulent inducement claim. These materials were indisputably responsive to several production requests served on Plaintiff back in May, 2010. Now, after delaying their production until after the original close of fact discovery, and after refusing to provide a knowledgeable witness to testify about these materials, Plaintiff argues that it should be rewarded for its discovery misconduct by denying LG the ability to meaningfully use the Meeting Notes at trial.

In addition, although it now claims its stipulation is solely as to origin and not to the context or purpose for which the Meeting Notes were created, Plaintiff apparently understood the documents sufficiently to designate them CONFIDENTIAL—ATTORNEYS' EYES ONLY under Paragraph 1(b) of the Protective Order, thereby confirming its own belief that the material "contains or reflects information that is extremely confidential and/or extremely sensitive in nature and the Producing Party reasonably believes that the disclosure of such Discovery Material is likely to cause economic harm or significant competitive disadvantage to the Producing Party." (*See* Ex. A to Holohan Decl. at 3) To make such a certification, Plaintiff clearly understood the context and purpose for which the Meeting Notes were created.

3. The Meeting Notes are authentic.

Without citing any supporting case law, Plaintiff's sole argument is that authentication is a condition precedent under Federal Rule of Evidence 901 and that LG failed to meet their burden of proving authenticity, ignoring that Plaintiff stipulated to authenticity on the Court recrod. (Pl. Br. at 14-15.) Even ignoring Plaintiff's attempts to repudiate its stipulation, Plaintiff's recitation of Rule 901 is incomplete as it further provides that the requirement of authentication or identification is satisfied by evidence sufficient to support a finding that the matter in question is what its proponent claims.

Here, there is ample secondary evidence that confirms the Meeting Notes reflect the contemporaneous notes of Plaintiff's March 21, 2006 license negotiation meeting with LG that were prepared by Plaintiff's outside counsel who attended the meeting. In particular, Plaintiff itself produced the Meeting Notes and stipulated on the record that the documents were authentic and were produced from the records of its former licensing counsel, Bereskin & Barr; Plaintiff's interrogatory responses and deposition testimony of its former President, Najmul Siddiqui confirm that two Bereskin & Parr attorneys attended the March 21, 2006 meeting with LG; and the only other meeting participant for Plaintiff at this meeting, Murray Eldon, confirmed that he did not prepare the notes.

4. The Meeting Notes are admissible.

Plaintiff ignores the evidentiary rules supporting the admissibility of the Meeting Notes. For instance, the Meeting Notes constitute non-hearsay admissions of a party opponent under Rule 801(d)(2) because they are statements made by an agent authorized to speak on behalf of a party opponent concerning a matter within the scope of the declarant's agency and made during the existence of the declarant's agency. Moreover, even assuming *arguendo* that the Meeting Notes are hearsay, they are nevertheless admissible under hearsay exceptions set forth in Federal Rule of Evidence 803, including the business records exception under 803(6.) In short, the Magistrate Judge had more than ample secondary evidence that the Meeting Notes reflected contemporaneous notes from the parties' March 21, 2006 license negotiation meeting. This evidence includes, among other things, allegations in Plaintiff's Second Amended Complaint, deposition testimony of Plaintiff's former President, Najmul Siddiqui, interrogatory responses confirming the date and participants at the March 21, 2006 license negotiation meeting in Toronto, Canada, at the offices of Plaintiff's outside counsel, Bereskin & Parr, and Plaintiff's counsel's stipulation that the Meeting Notes were authentic documents from the files of Bereskin & Parr.

For these reasons, the Magistrate Judge's ruling that the Meeting Notes were authentic and admissible was well-founded and certainly not the product of clear error in view of Plaintiff's refusal to provide a knowledgeable witness, the circumstances surrounding their belated production, Plaintiff's counsel's stipulation that the documents came from the files of Plaintiff's outside counsel at Bereskin & Parr and other secondry evidence relating to the March 21, 2006 meeting, as well as in view of the Federal Rules of Evidence themselves.

In *In re Ethylene Propylene Diene Monomer Antitrust Litigation*, 681 F.Supp.2d 141, 163 (D. Conn. 2009), the magistrate judge ruled that the defendant's handwritten notes from a business meeting were authentic and admissible evidence after defendants produced the documents but failed to testify regarding the notes. In that case, the court relied on secondary evidence that the meeting took place such as expense reports and third-party interrogatory answers. At a minimum, that same rationale should be applicable to the Magistrate Judge's ruling on the Meeting Notes in this case—independent of a well-deserved sanction.

V. CONCLUSION

For the reasons stated herein, Plaintiff failed to meet its burden of demonstrating clear error in the challenged rulings. Accordingly, LG respectfully requests that this Court affirm Magistrate Judge Peck's January 3, 2011, Order barring Wi-LAN counsel Richard Meyer from access to material designated CONFIDENTIAL ATTORNEYS' EYES ONLY or CONFIDENTIAL—OUTSIDE ATTORNEYS' EYES ONLY—SOURCE CODE and Magistrate Judge Peck's December 30, 2010, bench ruling holding that the document Bates stamped WL0426961–WL0426963 and WL0426964–WL0426965 are admissible.

Dated: January 24, 2011

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on January 24, 2011, the foregoing Defendants' Memorandum of Law in Opposition to Plaintiff Wi-LAN Inc.'s Objection Pursuant to Federal Rule of Civil Procedure 72(a) was electronically filed with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel that have appeared for any party in this matter.

/s/ Eric J. Maiers.
Eric J. Maiers